



FEDERAL ELECTION COMMISSION  
WASHINGTON, D C 20463

MAR 15 2006

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

Barbara W. Bonfiglio, Treasurer  
Santorum 2006  
One Tower Bridge  
Suite 1440  
West Conshohocken, PA 19428

RE: MUR 5645  
Santorum 2006 and Barbara W. Bonfiglio,  
in her official capacity as treasurer

Dear Ms. Bonfiglio:

On March 2, 2006, the Federal Election Commission found that there is reason to believe Santorum 2006 and you, in your official capacity as treasurer, violated 2 U.S.C. §§ 441b(a) and 434(b)(3)(A), provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"). These findings were based on information ascertained by the Commission in the normal course of carrying out its supervisory responsibilities. *See* 2 U.S.C. § 437g(a)(2). The Factual and Legal Analysis, which more fully explains the Commission's findings, is attached for your information. Please note that you have a legal obligation to preserve all documents, records and materials relating to this matter until such time as you are notified that the Commission has closed its file in this matter. *See* 18 U.S.C. § 1519.

We hope to resolve this matter expeditiously and with the Committee's cooperation. In addition to any factual and legal materials the Committee or you believe are relevant to this matter,

We would appreciate this information being submitted to the Office of General Counsel within 30 days.

If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address, and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

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This matter will remain confidential in accordance with 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A), unless you notify the Commission in writing that you wish the investigation to be made public.

For your information, we have enclosed a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Mark Allen, the attorney assigned to this matter, at (202) 694-1650.

Sincerely,



Michael E. Toner  
Chairman

Enclosures  
Factual and Legal Analysis  
  
Designation of Counsel Form  
Procedures

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**FEDERAL ELECTION COMMISSION**  
**FACTUAL AND LEGAL ANALYSIS**

RESPONDENTS: Santorum 2006 and Barbara W. Bonfiglio, MUR 5645  
in her official capacity as treasurer

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**I. GENERATION OF MATTER**

This matter was generated based on information ascertained by the Federal Election Commission ("Commission") in the normal course of carrying out its supervisory responsibilities. *See* 2 U.S.C. § 437g(a)(2).

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**II. FACTUAL AND LEGAL ANALYSIS**

**A. Introduction**

This matter involves the payment of \$54,078.47 in fundraiser costs related to Senator Rick Santorum's authorized committees, Santorum 2006 and Santorum 2000, and his leadership PAC, America's Foundation (together, "the Santorum committees").<sup>1</sup> The costs at issue relate to four fundraiser events: golf tournaments at the Country Club of Hershey, Pennsylvania held on May 14, 1999, August 24, 2000, and May 17, 2002; and a fundraiser held at the home of Stan Rapp in Hummelstown, Pennsylvania on June 30, 2003. The \$54,078.47 in costs was not paid by the Santorum committees; of this amount, \$7,938.81 relates to the June 30, 2003 event that benefited Santorum 2006. Because Santorum 2006 did not pay these costs, they were therefore aware, or should have been aware, that an outside party paid the costs.

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<sup>1</sup> Although only a portion of the activity discussed herein directly benefited Santorum 2006, the activity of the other committees is also relevant to Santorum 2006 to the extent that it provides some context to the pattern of activity and involves the same individuals.

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1           The outside party that paid the costs was Highmark Inc. (“Highmark”), an insurance  
2 company based in Pittsburgh, Pennsylvania. Highmark’s use of corporate funds to defray the  
3 Santorum committees’ fundraiser costs (specifically in this case, Santorum 2006’s) was  
4 primarily the work of one Highmark officer, Bruce Hironimus, then-Vice President for  
5 Government Affairs. In this position, Mr. Hironimus lobbied Members of Congress and  
6 federal and state government officials concerning health care issues. Over the course of  
7 several years, Mr. Hironimus used Highmark expense reports and check requests to authorize  
8 the use of corporate funds to pay the costs of the four fundraising events for the Santorum  
9 committees. Mr. Hironimus organized and hosted the three golf tournaments, which were  
10 attended by Senator Santorum and raised approximately \$40,000 to \$50,000 in contributions  
11 each. The fourth fundraising event took place at a private home.

12           **B.   Facts<sup>2</sup>**

13           Mr. Hironimus’s involvement in Santorum fundraising was initially sought by  
14 Santorum 2000 in early 1999. Mr. Hironimus was invited by Senator Santorum by letter dated  
15 February 1, 1999 to participate in Santorum 2000’s Pennsylvania State Finance Committee, “a  
16 critical part” of the Senator’s 2000 election campaign. Mr. Hironimus then attended a planning  
17 meeting that included Santorum 2000 employee Nadine Maenza and approximately 30  
18 Santorum supporters. At that meeting, Mr. Hironimus volunteered to organize a fundraiser for  
19 Santorum 2000 in the form of a golf tournament at the Country Club of Hershey, where he was  
20 a member. This event was ultimately held on May 14, 1999.

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<sup>2</sup> The facts relevant to this matter occurred both prior to and after the effective date of the Bipartisan Campaign Reform Act of 2002 (“BCRA”), Pub. L. 107-155, 116 Stat. 81 (2002). Accordingly, the activity prior to BCRA is subject to the provisions of the Act as it existed at that time and the activity after BCRA is subject to the Act as amended by BCRA. However, the statutory provision at issue, 2 U.S.C. § 441b(a), was not amended by BCRA in a manner relevant to the activity in this matter.

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1 Nadine Maenza sent a facsimile to Bruce Hironimus dated April 10, 1999, thanking  
2 him for his "hard work" on the fundraiser event and asking for a copy of the invitation.

3 Ms. Maenza's facsimile further stated:

4 Also, enclosed is a list of past contributors to your event that I am  
5 excluding from [the] mailing for the Dan Beren event. Please let me know if  
6 there are other people, who are contributors of Santorum, that you are working  
7 on for your event. The last thing I want is for them to get two invitations so  
8 close together. You can either fax or e-mail that information  
9 ([MaenzaN@aol.com](mailto:MaenzaN@aol.com)).

10  
11 Finally, Ms. Maenza stated that she needed the address and occupation/employer of every  
12 donor and also "of those that give in-kind contributions (as for the prizes that are not purchased  
13 by [the] campaign)." Mr. Hironimus has stated that he does not think he ever discussed in-kind  
14 contributions with Ms. Maenza. In addition to communications with Ms. Maenza,  
15 Mr. Hironimus communicated with Senator Santorum's scheduler Karen Garber to set the golf  
16 tournament fundraiser date for May 14, 1999.

17 The invitation to the fundraiser event reads "Please join U.S. Senator Rick Santorum,  
18 Friday, May 14, 1999, [a]t the Country Club of Hershey, West Course." The invitation lists a  
19 program of lunch, golfing and a reception. The invitation asks for \$1,000 per participant.

20 Bruce Hironimus hosted the May 14, 1999 golfing fundraiser event, attended by  
21 Senator Santorum, who at the conclusion thanked Mr. Hironimus for coordinating the event.  
22 Assisting Bruce Hironimus at the event were one or more employees of Greenlee Partners LLC  
23 ("Greenlee"), a consultant that provides contract lobbying services to Highmark. These  
24 individuals were paid for their work by Keystone Strategies, Inc. ("Keystone"), a political

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1 fundraising subsidiary of Greenlee.<sup>3</sup> This work was tallied up in a Keystone invoice for  
2 \$1,388.08 dated July 12, 1999. This invoice was addressed to Santorum 2000, but was paid for  
3 with Highmark funds. Bruce Hironimus stated in an interview that he thinks that Santorum  
4 employee Nadine Maenza was aware of the Greenlee employees' role.

5 The May 14, 1999 golfing fundraiser event raised approximately \$40,000 to \$50,000  
6 for Santorum 2000. According to Mr. Hironimus, Highmark funds totaling \$16,536.87 paid *all*  
7 the costs of the fundraiser event, including:

- 8 • The \$1,388.08 paid to Keystone;
- 9 • Greens fees, carts, food and beverages;
- 10 • Prizes and handouts, such as golf clothing and equipment, given to contributors.

11 Santorum 2000's disclosure reports do not contain disbursements that appear to be  
12 related to the event. Nor did the committee disclose the receipt of any in-kind contributions  
13 from Highmark or from Mr. Hironimus.<sup>4</sup>

14 Bruce Hironimus organized a similar golfing fundraiser event for Santorum 2000 the  
15 next year, on August 24, 2000. His contact at the committee remained Nadine Maenza. The  
16 invitation reads "Please join U.S. Senator Rick Santorum" at the Country Club of Hershey  
17 West Course and contains a program of brunch, golf and a reception spread over the course of  
18 the day.<sup>5</sup> The invitation asks for \$1,000 per participant and asks for responses by May 5, 2000.  
19 A separate invitation document, a letter from Mr. Hironimus dated January 21, 2000, contains

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<sup>3</sup> The paid work performed for Keystone also included drafting and mailing the invitations and thank you letters for the golfing fundraiser event

<sup>4</sup> Santorum 2000's only reported receipt from Mr. Hironimus was a direct \$250 contribution on October 4, 1999. The committee disclosed Mr. Hironimus's employer as KHP Services, Inc., which is a subsidiary of Highmark.

<sup>5</sup> The stated date of the event is May 19, 2000. Due to rain, the event was postponed until August 24, 2000.

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1 much of the same information but also the disclaimer “Paid for by Santorum 2000.” The letter  
2 also states that “[t]he event is purposely planned for limited participation so that each of us will  
3 share significant time with Rick [Santorum].”

4 Like the 1999 golfing fundraiser event, Bruce Hironimus hosted the August 24, 2000  
5 event, and Senator Santorum attended it; at the conclusion, Senator Santorum thanked Mr.  
6 Hironimus for coordinating the event. Also like the prior event, employees of  
7 Greenlee/Keystone assisted Mr. Hironimus at the 2000 event. This event also raised  
8 approximately \$40,000 to \$50,000 for Santorum 2000. Highmark funds totaling \$14,998.34  
9 paid for the golfing, food and beverages, prizes, and at least some of the invitations and thank  
10 you materials. As with the earlier event, Mr. Hironimus has stated that Highmark funds paid  
11 *all* the costs of the 2000 fundraiser event, and Santorum 2000’s disclosure reports do not  
12 indicate otherwise. Nor do those disclosure reports disclose the receipt of any in-kind  
13 contributions from Highmark or from Mr. Hironimus.

14 Two years later, Bruce Hironimus organized a third golfing fundraiser event in support  
15 of Senator Santorum, this time for the Senator’s leadership PAC, America’s Foundation.  
16 Mr. Hironimus’s letter to Nadine Maenza dated February 12, 2002 confirms Senator  
17 Santorum’s participation at the May 17, 2002 “Hershey fundraising event.”<sup>6</sup> By letter dated  
18 the next day, February 13, 2002, Mr. Hironimus invited certain individuals to join him as a  
19 “Chairperson” of the May 17, 2002 event, a “fundraiser in support of our friend U.S. Senator  
20 Rick Santorum.” Several weeks later, on March 22, 2002, Nadine Maenza sent a facsimile to  
21 Mr. Hironimus stating that America’s Foundation was Senator Santorum’s “priority” at that

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<sup>6</sup> The Commission’s copy of the letter is unsigned.

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1 time, "due to the Fall Senate elections that he is so involved with," and enclosing that  
2 committee's mission statement.

3 Bruce Hironimus's general invitation to the 2002 fundraiser event was in letter form,  
4 dated March 28, 2002 and titled "Santorum 2002 Golf Outing." The invitation begins, "Please  
5 join us for an afternoon on the golf course in support of U.S. Senator Rick Santorum,  
6 America's Foundation Political Action Committee" and describes the event as "a fundraiser for  
7 Rick's critically important political interests." Like the invitations to the 1999 and 2000  
8 events, the 2002 invitation states that the event will be held at the Country Club of Hershey  
9 West Course and describes a program of golf, lunch and a reception. The invitation asks for a  
10 "minimum of \$1,000 per golfer" and asks contributors to "send [their] checks and direct any  
11 questions for further information to Megan Martin," an employee of Greenlee who also  
12 performed work for Keystone.<sup>7</sup> An accompanying second page of the invitation asks for name  
13 and address information as well as preferred tee time and other golfing data. Finally, a  
14 document titled "Santorum 2002 Golf Outing" describes the golf tournament in detail, noting  
15 that Senator Santorum would play several holes with each foursome.

16 Like the 1999 and 2000 event, Bruce Hironimus hosted the May 17, 2002 event, and  
17 Senator Santorum attended it; again at the conclusion, Senator Santorum thanked Mr.  
18 Hironimus for coordinating the event. Megan Martin assisted Mr. Hironimus at the event.  
19 This event also raised approximately \$40,000 to \$50,000 for America's Foundation. Highmark  
20 funds totaling \$14,604.45 paid for the golfing, food and beverages, prizes, and invitations and  
21 thank you materials. As with the earlier events, Mr. Hironimus says that Highmark funds paid

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<sup>7</sup> Ms. Martin's contact at America's Foundation was Nadine Maenza, to whom Ms. Martin says she may have mailed contribution checks and coordinated Senator Santorum's time of arrival at the fundraiser event.

1 all the costs of the 2002 fundraiser event,<sup>8</sup> and America's Foundation's disclosure reports do  
2 not indicate otherwise. Nor do those disclosure reports disclose the receipt of any in-kind  
3 contributions from Highmark or from Mr. Hironimus.<sup>9</sup>

4 The fourth Santorum fundraiser event for which Highmark funds paid costs was a  
5 reception for Senator Santorum in support of Santorum 2006 held at the home of Stan and  
6 Gretchen Rapp in Hummelstown, Pennsylvania on June 30, 2003. Unlike the three golfing  
7 fundraiser events, Bruce Hironimus did not organize and host the Rapp reception and  
8 Highmark did not pay all the costs.<sup>10</sup> Highmark did, however, pay \$7,568.40 for the catering  
9 and \$370.41 for wine for the event. Mr. Hironimus has stated that he had no communication  
10 with any committee staff regarding that event, but rather communicated only with Megan  
11 Martin, discussing the catering cost with her.<sup>11</sup> Santorum 2006's disclosure reports do not  
12 contain disbursements that appear to be related to the catering or wine costs of the Rapp  
13 reception. Nor did the committee report the receipt of any in-kind contributions from  
14 Highmark or from Mr. Hironimus.

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<sup>8</sup> These costs included the work Megan Martin performed for Keystone, which included drafting and mailing the invitations and thank you letters for the 2002 golfing fundraiser event and working at the event itself. A Keystone invoice addressed to Mr. Hironimus at Highmark was paid for with Highmark funds.

<sup>9</sup> America's Foundation's only reported receipt from Mr. Hironimus was four years earlier, a direct \$1,000 contribution on April 8, 1998.

<sup>10</sup> Nor was Mr. Hironimus involved with drafting the invitation, which contains a disclaimer that it was paid for by Santorum 2006. The invitation identifies two contacts: Megan Martin, at Greenlee Partners (which was a Highmark contractor), and Nadine Maenza, at Santorum 2006. Ms. Martin's work on the Rapp reception was not paid for with Highmark funds.

<sup>11</sup> Ms. Martin has stated that she does not recall discussing the catering bill with Nadine Maenza, who Ms. Martin states would have been responsible for that aspect of the Rapp reception, the \$7,568.40 cost of which was paid by Highmark. Ms. Martin also stated that she did not discuss the wine with Mr. Hironimus, the \$370.41 cost of which was paid by Highmark

1           **C.     Discussion**

2           As described, \$54,078.47 in Santorum committee fundraiser event costs were defrayed  
3 with Highmark funds, including \$7,938.81 in costs for the Santorum 2006 event at the home of  
4 Stan Rapp in Hummelstown, Pennsylvania on June 30, 2003. These costs paid by Highmark  
5 constituted something of value in connection with an election, and thus constituted  
6 contributions to the Santorum committees. *See* 2 U.S.C. § 431(8)(A)(i). Contributions by  
7 Highmark, a corporation, are prohibited by 2 U.S.C. § 441b(a). No person, including a  
8 political committee or a candidate, may knowingly accept or receive a corporate contribution.  
9 2 U.S.C. § 441b(a). Further, political committees are required to disclose the receipt of  
10 contributions, including in-kind contributions. *See* 2 U.S.C. § 434(b)(3)(A); 11 C.F.R.  
11 § 100.52(d)(1) (formerly at 100.7(a)(1)(iii)(A)).

12           Bruce Hironimus and Megan Martin informed the Commission that they never  
13 discussed the costs of the fundraiser events with Nadine Maenza or anyone else at the  
14 Santorum committees;<sup>12</sup> nevertheless, the committees should have been aware that the costs of  
15 the fundraiser events were being paid by an outside source. Although the available information  
16 shows that Nadine Maenza made one inquiry regarding in-kind contributions, her inquiry was  
17 made prior to the first of the golfing fundraiser events described above,<sup>13</sup> and in light of the  
18 circumstances – that the committees did not incur any costs with respect to the golfing events  
19 and Santorum 2006 did not incur the catering and wine costs for the 2003 Rapp reception – that  
20 inquiry was by itself insufficient.

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<sup>12</sup> Mr. Hironimus described his activity as being on his own behalf, not on behalf of Highmark, a position belied by Highmark's payment of all the fundraiser event costs.

<sup>13</sup> Nadine Maenza asked Bruce Hironimus in her April 10, 1999 facsimile to provide in-kind contribution information to her, but he did not do so.

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1 Santorum 2006 was aware that the June 30, 2003 event took place at the home of Stan  
2 and Gretchen Rapp in Hummelstown, Pennsylvania, and consisted of a reception for Senator  
3 Santorum. The available information shows that the event included catering and wine, but that  
4 Santorum 2006 incurred no catering or wine costs. Santorum 2006 should have been aware  
5 that the catering, at least, of a fundraiser event of this nature would involve substantial  
6 expenses, yet they apparently paid nothing.<sup>14</sup>

7 The circumstances suggest that Santorum 2006 was aware, or should have been aware,  
8 that an outside party paid certain costs of the June 30, 2003 event, yet Santorum 2006 did not  
9 disclose the receipt of in-kind contributions. *See* 2 U.S.C. § 434(b)(3)(A). Santorum 2006  
10 disclosed the receipt of no in-kind contributions from Bruce Hironimus,<sup>15</sup> or from Highmark,  
11 the actual source of the fundraiser costs at issue.

12 Thus, in addition to what appears to be a knowing receipt of in-kind contributions,  
13 Santorum 2006 did not disclose the receipt of such contributions. *See* 2 U.S.C. §§ 441b(a) and  
14 434(b)(3)(A).

15 **D. Conclusion**

16 The circumstances in this matter raise sufficient questions warranting an investigation  
17 into whether Santorum 2006 knowingly accepted or received corporate contributions. Further,  
18 as noted, Santorum 2006 did not disclose the receipt of in-kind contributions relating to the

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<sup>14</sup> As noted, the catering cost \$7,568.40 and the wine cost \$370.41 for the Rapp reception

<sup>15</sup> In-kind contributions from Mr. Hironimus in any event would not have been permissible contributions, as the costs at issue would have suggested significant excessive contributions on his part. The costs at issue of the 2003 fundraiser at the home of Stan Rapp, nearly \$8,000, far exceeded the then-applicable contribution limit of \$2,000 per election. *See* 2 U.S.C. §§ 441a(a)(1)(A)

Santorum 2006 and Barbara W Bonfiglio,  
in her official capacity as treasurer  
Factual and Legal Analysis

- 1 fundraiser event costs at issue.<sup>16</sup> Therefore, there is reason to believe that Santorum 2006 and
- 2 Barbara W. Bonfiglio, in her official capacity as treasurer, violated 2 U.S.C. §§ 441b(a) and
- 3 434(b)(3)(A).

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<sup>16</sup> As stated earlier, neither did the committee disclose the receipt of in-kind contributions from Bruce Hironimus.

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